

STATE OF UTAH

Fund Information

FINET Name: (GOV) Industrial Assistance Account

FINET Fund: 1054

Legal Name: Industrial Assistance Account

Legal Authorization: UCA 63N-3-103; - 106

Earns Interest: ☒ Yes ☐ No **Earns Interest Authority:** 63-38f-903(5), subject to the \$50,000,000 earmark cap.

Revenue Source(s):

1) Appropriation, 2) Interest, 3) Loan repayments

Description:

Fund was established in the 1991 General Session to administer loans and financial assistance to establish, relocate, or develop industry in Utah. An annual interest rate of 10% should be set on these loans. Loans may be written off when credits are given for increased economic activity in Utah. Funded with \$9,625,000 original appropriation.

The 2000 Legislature (HB 407) expanded the scope of the fund to include a "company creating an economic impediment" and a "replacement company," as defined in UCA 9-2-1202.

SB 12 (2003 GS) Amends eligibility requirements for assistance from the fund and allows DCED to make grants from the fund in addition to loans.

HB 318 (2005 GS) Gives oversight of this fund to a newly created office called the Governor's Office of Economic Development with the Governor's Office.

HB 131 (2006 GS) Repeals the provision in the Economic Development Incentives Act that precludes a project qualified to receive partial rebates of new state revenues generated by the project under the Act from receiving additional financial assistance from the Industrial Assistance Fund.

SB 10 (2007 GS) Creates the Rural Fast Track Program to provide financial incentive for small companies in rural Utah that create high paying jobs. Provides that 20% of the money in the Industrial Assistance Fund shall be used to fund the program.

HB 118 (2010 GS) Increases the percentage of money (from 20% to 25%) in the Industrial Assistance Fund that may be used to take timely advantage of economic opportunities as they arise. Caps the earmark at the end of each fiscal year at \$50,000,000 for any credit that has accrued, at which time no subsequent contributions may be made and any interest accrued above the \$50,000,000 cap shall be deposited into the General Fund.

SB 191 (2010 GS) Modifies the name of certain funds in the code for governmental accounting purposes. Changes the name of certain funds to reflect that the fund are restricted accounts within the General Fund (including this fund).

SB 180 (2011 GS) Creates the Medicaid Growth Reduction and Budget Stabilization Restricted Account within the General Fund. Provides that Finance shall transfer an amount equal to Medicaid growth savings from the General Fund to the account before making any transfer to the General Fund Budget Reserve Account (Rainy Day Fund) and other transfers and earmarks required by law (including the earmark for this fund #1054).

HB 330 (2011 GS) As to this fund, repealed obsolete language. Repeals provisions related to nonlapsing funds, accounts, and account balances to clarify the list of nonlapsing authority in Section 63J-1-602, and Sections 63J-1-602 through 602.5. Clarifies the funding sources for certain funds and accounts. Renames certain funds. Adds certain funds to the list of nonlapsing funds, accounts, and account balances where nonlapsing authority exists. Clarifies the amounts the Division of Finance shall deposit into certain funds and accounts. Repeals obsolete language, funds, and accounts.

SB 285 (2011 GS) Modifies a provision relating to the industrial assistance fund. Includes a specified sports development organization with entities that may qualify for money from the Industrial Assistance Account. (KSL e.g. the Dew Tour would qualify)

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HB 318 (2012 GS) Moves the funding and administration of the Business Expansion and Retention Initiative from the Rural Fast Track Program to the Industrial Assistance Account administered by the director of the Governor's Office of Economic Development. Modifies the allocation of money in the Industrial Assistance Account. Provides that up to 4% of the Industrial Assistance Account may be used to promote business and economic development in rural Utah with the Business Expansion and Retention Initiative.

SB 248 (2012 GS) Creates a pilot project known as the Smart School Technology Program to encourage the deployment of a whole-school technology plan in public schools. Directs the Board of Business and Economic Development to select a private education technology provider through a request for proposals process to develop and implement a whole-school technology deployment plan for schools. Provides for the establishment of an independent evaluating committee to advise the Board of Business and Economic Development on issuing a request for proposals and selecting an education technology provider. Allows up to \$3,000,000 of the Industrial Assistance Account (#1054) to be used one-time for the purpose of incubating technology solutions related to economic and workforce development; and repeals the pilot project after three years.

SB 15 (2013 GS) Extends the repeal date for the Industrial Accident Restricted Account and the revenue to the account from July 1, 2013 to July 1, 2018.

SB 233 (2014 GS) Modifies provisions related to economic development, including creating a small business job tax credit and investment program. As to the Industrial Assistance Account (#1054), addresses provisions regarding money that may be used for incubating technology solutions.

SB 18 (2015 GS) Bill creates Title 63N, Governor's Office of Economic Development. Creates Title 63N, Governor's Office of Economic Development. Recodifies statutory provisions related to GOED. Modifies the organization of GOED, the Board of Business and Economic Development, and the Governor's Economic Development Coordinating Council.

HB 129 (2015 GS) Modifies which companies may qualify to receive incentives under the Rural Fast Track Program, including companies located in counties of the third, fourth, fifth, and sixth class under certain circumstances. (Funded from the Industrial Assistance Account #1054)

SB 186 (2016 GS) This bill authorizes the use of funds from the Industrial Assistance Account to help a company purchase and install air quality control technology.

SB 212 (2016 GS) For the purpose of the Industrial Assistance Account, modifies the calculation of the General Fund revenue surplus by adding that \$4,000,000 from revenue surplus will be deposited in the Wildland Fire Suppression Fund (beginning in FY 16) after the transfer to the Medicaid Growth Red & Bud Stab Acct transfer, and after the transfers to the General Fund Budget Reserve Account, but before the transfer to the Disaster Recovery Restricted Account. Such transfers are all before the Industrial Assistance Account set-aside can be included in the calculation.

Fund Balance History:

<u>Fund</u>	<u>Year</u>	<u>Beg Balance</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Transfers</u>	<u>End Balance</u>
1054	1991	\$0	\$107,411	\$0	\$9,200,282	\$9,307,693
1054	1992	\$9,307,693	\$462,098	\$0	(\$4,090,521)	\$5,679,270
1054	1993	\$5,679,270	\$243,844	\$0	\$217,259	\$6,140,373
1054	1994	\$6,140,373	\$250,972	\$0	\$137,463	\$6,528,808
1054	1995	\$6,528,808	\$927,873	\$333,294	\$1,204,059	\$8,327,446
1054	1996	\$8,327,446	\$355,362	\$3,809,686	\$1,019,111	\$5,892,233
1054	1997	\$5,892,233	\$387,903	\$1,080,840	(\$143,993)	\$5,055,303
1054	1998	\$5,055,303	\$179,592	\$300,960	(\$1,217,388)	\$3,716,547
1054	1999	\$3,716,547	\$449,546	\$40,840	\$5,256,040	\$9,381,293
1054	2000	\$9,381,293	\$882,275	\$3,005,875	\$700,779	\$7,958,472
1054	2001	\$7,958,472	\$566,792	\$653,125	\$10,322,533	\$18,194,672
1054	2002	\$18,194,672	\$5,299,096	\$1,025,676	(\$2,095,675)	\$20,372,417

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1054	2003	\$20,372,417	\$3,306,710	\$6,205,396	\$6,136,875	\$23,610,607
1054	2004	\$23,610,607	\$522,360	\$2,044,615	\$4,405,747	\$26,494,098
1054	2005	\$26,494,098	\$754,981	\$3,618,145	\$4,253,500	\$27,884,434
1054	2006	\$27,884,434	\$992,715	\$829,305	\$3,255,900	\$31,303,744
1054	2007	\$31,303,744	\$1,551,974	\$1,512,982	\$1,185,100	\$32,527,836
1054	2008	\$32,527,836	\$1,350,155	\$3,118,255	\$1,289,500	\$32,049,236
1054	2009	\$32,049,236	\$783,273	\$3,434,222	(\$223,500)	\$29,174,787
1054	2010	\$29,174,787	\$243,272	\$3,155,713	(\$223,500)	\$26,038,846
1054	2011	\$26,038,846	\$172,050	\$1,919,751	(\$223,500)	\$24,067,645
1054	2012	\$24,067,645	\$39,830	\$1,256,469	\$10,776,500	\$33,627,506
1054	2013	\$33,627,506	\$343,195	\$4,427,199	\$1,634,400	\$31,177,902
1054	2014	\$31,177,902	\$147,728	\$2,720,665	(\$250,000)	\$28,354,965
1054	2015	\$28,354,965	\$136,267	\$3,436,721	\$2,375,000	\$27,429,511
1054	2016	\$27,429,511	\$182,985	\$3,887,669	(\$250,000)	\$23,474,827
